

Trade Invest Monthly

Hawaii's International Business Network

HAWAII NOTICES

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PTC Annual Conference to attract International Tech Firms

The Pacific Telecommunications Council's (PTC) annual conference, January 13 – 17, 2002 at the Hilton Hawaiian Village, Honolulu. The conference has grown into an international gathering that showcases Hawaii as a place to do high tech business. Representatives from business, education, and government from Asia, the Pacific and mainland U.S. will be here for networking, workshops, discussions, exhibits, and meetings.

With its theme "Next Generation Communications: Making IT Work", the PTC2002 annual conference seeks to focus on harnessing the complexities of the broadest range of communications technologies and services for the user.

The conference features leading experts exchanging views and ideas on issues such as:

- The use of information and communication services, and how social and cultural factors shape and are shaped by the new technologies.
- What are the new applications and services developments for business, industrial and consumer interests? What models of successful implementation are available?
- The status, plans, directions, trends, issues, dependencies and critical success factors for effective communication developments in the Pacific Islands, Latin America, and East, South and Southeast Asia.
- New developments in wireless communications, network technology, digital technology, broadcasting, fiber optic cable systems and internetworking, and the relationship of these developments to the user needs.

In the broad range of participants, a delegation is expected from China to include Minister Wu Jichuan and other Chinese officials from the Ministry of Information Industry (MII).

The conference keynote speaker will be Sir Christopher Gent, Chief Executive, Vodafone Group Plc, U.K. A tremendous line-up of speakers and panelists are being assembled for participants to hear from and interact with, these include:

- Abdul Khan - Assistant Director-General, Communication and Information, UNESCO
- David Farber - Alfred Fittler Moore Professor of Telecommunication Systems, University of Pennsylvania, USA
- Tan Sri Nuraizah Abdul Hamid - Chairman, Malaysian Communications And Multimedia Commission, Malaysia
- Sethaporn Cusriputuck - Former Director-General, Post & Telegraph Department, Thailand
- Winston Thompson - CEO, Telecom Fiji, Fiji

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Thailand – Net-Based Technology

Source: U.S. & Foreign Commercial Service – Bangkok. After being exposed to the Internet in 1994, Thailand is now prepared to utilize the Internet as an ideal channel to the global marketplace. The current administration and Prime Minister have also jumped on the bandwagon, vowing that "Science and Technology will be the heart of this government."

According to the report, there is good market potential for U.S. products in the area of web hosting, web-enabled e-commerce and e-transactions, call centers, electronic data interchange, certification authority services, application service providers, information security, and e-education.

The Thai market for information technology products and service in 2001 is nearly US\$1.4 billion, representing a 12% growth over 2000 according to the Association of the Thai Computer Industry.

U.S. products are well-accepted and are likely to command a 40% share of the total computer hardware market and 80% of the total computer software and services market.

Although only 5.7% of the 62 million people in Thailand are using the Internet, the number of net users in Thailand within the next few years will exceed those of Singapore and Malaysia.

(Continued on page 3)

Photo: City of Refuge - Island of Hawaii

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Worldwide Market Reports

Due to the large number of requests for reports, we have made the request process easier to better serve you. To request reports, send the request form by Fax: (808) 587-3388 or email: tradeinvest@dbedt.hawaii.gov

The report service offered is reserved for Hawaii companies only.

If you are outside of Hawaii and are interested in the reports highlighted in our newsletters, please go to the United States Department of Commerce website, www.stat-usa.com. You will have the choice of ordering the reports you need for a small fee or you can subscribe to their service for an annual fee and have unlimited access to all reports and services.

Also, some of these market reports can also be located at the website: www.usatrade.gov

Canada Canoe and Kayak Markets

Source: U.S. & Foreign Commercial Service – Ottawa. Historically, canoes and kayaks were essential to exploring Canada's waterway systems and were used by the Inuit for hunting. However, in the 1950's, canoes and kayaks were replaced by motor-powered boats.

Recently Canadians – estimated population over 4 million – have re-discovered canoes and kayaks are excellent ways to explore the country and enjoy as a recreational activity.

In 1998, 14.2% of men and 11.27% of women were reported to participate in canoeing and kayaking at least once per year. The various reasons to canoe or kayak include: birdwatching, fishing, exercise, view nature, and explore Canada.

The largest growing demographic markets are:

15-24 years – Schools are encouraging participation in these outdoor water activities. Students across Canada are educated during gym class on how to use canoes and kayaks.

Women – advances in technology have created lighter boats which have attracted more women to the sport.

Baby boomers – as the baby boomers are beginning to near retirement, they are returning to their favorite outdoor sports that they were introduced to as a child.

For Hawaii canoe and kayak manufacturers interested in the Canadian market, are encouraged to contact the U.S. Embassy in Canada for more detailed documentation and consultation. Contact: Stephanie Linton, Commercial Specialist. Tel: (613) 688-5406; Fax: (613) 238-5999; E-mail: stephanie.linton@mail.doc.

Australia Travel to the U.S.

Source: U.S. Department of Commerce – Sydney. This is an update on the Australian travel market to the U.S. An earlier report was highlighted in the October 2000 issue of Trade Invest Monthly.

In light of the September 11 events and

the collapse of Australia's second largest domestic carrier, Ansett Airlines, the outlook for Australia's tourism industry for the remainder of 2001 is pessimistic. Australians have been showing a reluctance to travel to the U.S., with many Australians delaying travel plans, having adopted a "wait and see" attitude. However, it is hoped that the market will return to "normalcy" in 2002.

Hawaii was the 5th most popular state for Australian travelers in 2000 with 80,000 travelers (14.9% market share). California is the most popular state with 328,000 travelers (60.7% market share). Nevada (Las Vegas) is making the most gains with Australian travelers. Las Vegas opened a representative office in Australia last year. Most first-time Australian travelers prefer to travel to the West Coast.

The growth prospects for the Australian traveler market remain positive and their selected travel destination(s) will be dependent on the currency exchange rates, cost of airfare, and fear for personal safety.

According to the report, "Due to an increase in flights, Hawaii has also experienced a resurgence of Australian visitors. Tourism to Hawaii declined in the early 1990s when several airlines halted their services from Australia to the continental U.S. via Hawaii. At that time, there were approximately six carriers with scheduled Australia-Hawaii services. As a result, due to the limited number of seats and noncompetitive pricing, the number of Australian travelers to Hawaii decreased. However, Qantas, Air New Zealand, Air Pacific, Polynesian Airlines, and Canada 3000 now offer competitive fares to Hawaii. According to industry sources, as a market with nonstop air services to Hawaii, Australia holds outstanding potential for growth."

British Columbia's Burgeoning Biotech Industry

Source: U.S. & Foreign Commercial Service. Biotechnology is a burgeoning

industry in British Columbia. This industry is now the third largest and fastest growing of its kind in Canada. Research and development expenditures in British Columbia are expected to total nearly \$77 million in 2001, which is almost 1/5 of Canada's total R&D expenditures. British Columbia's biotechnology industry is comprised of more than 90 private sector firms, as well as numerous research centers located in universities and government institutions. Together, these enterprises employ more than 3,300 people and are expected to experience staffing growth rates of 20% in the next two years. The growth of British Columbia's biotechnology industry offers many opportunities to U.S. firms.

The biotechnology industry in British Columbia has become an integral component of the provincial economy that will drive investment and job growth now and in the future. Biotechnology as an industry has existed for only 20 years. How-

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Net Profits & Prophets

Dutch have the longest commuting time in Europe

Hawaii commuters have little to complain when compared to the average Dutch work commuter.

According to the U.S. & Foreign Commercial Service, although the Netherlands is one of the smallest countries in Europe and has an intricate structure of highways, the average Dutch worker spent the longest time commuting to work by car. In the Netherlands, the average commuting time is 46.5 minutes, while the average European citizen needs 37.5 minutes to get to work. The main reason for the long commuting times in the Netherlands is the massive congestion during rush hour traffic in the western part of the country. The long commuting time makes the Dutch working week as long as those of other European citizens. The Dutch work 32.9 hours per week excluding commuting time while the European average (including commuting time) amounts to 38.2 hours.

Average commuting times (per day) for working Europeans in minutes (car only, not bike, motorbike, on foot or public transportation):

The Netherlands 46.5	Sweden 37.6
Austria 34.9	Germany 42.1
Spain 37.5	Luxembourg 34.7
Belgium 41.5	UK 37.3
Greece 31.7	Finland 40.5
France 36.2	Italy 30.4
Denmark 38.3	Ireland 36.2
Portugal 29.2	

Japan News

Internet Connectivity in Japan: Recent Figures

Source: U.S. & Foreign Commercial Service - Japan. Although "dial-up" service, with 19.23 million subscribers as of September 2001, remains the most prevalent way to access the Internet in Japan, other methods are starting to gain popularity.

Cable TV (CATV) Internet – 1.15 million Japanese were subscribed to cable services at the end of September 2001 – representing a 19% increase from the end of June 2001.

Digital Subscriber Line (DSL) is making the most impressive gains. DSL allows the user to be "always connected" to the Internet, eliminating the need to dial-up and the inconvenience of tying up a phone line while surfing the web. At the end of October 2001, DSL subscribers reached 921,867 and is most likely to break the 1 million mark by the end of 2001.

Mobile phones connectivity with the Internet continues to be the most popular method of accessing the Internet in Japan. There were 71 million cell phone subscribers in Japan as of September 2001, with 69% of the mobile phones having Internet connectivity.

For more information on the IT market in Japan, or market-entry strategies, contact Steve Knode at steve.knode@mail.doc.gov or Rick de Lambert at Rick.deLambert@mail.doc.gov

Import information for Various Products Sectors

Source: Japan External Trade Organization (JETRO). For new-to-market businesses and individuals, JETRO provides import and market information for a wide variety of product categories.

The next set of product categories that may be of interest to Hawaii companies are as follows:

- Wine
- Processed Meat
- Spices
- Jewelry
- Fragrances
- Apparel



Other product categories will be announced in future issues. Specific reports are available upon request.

European Union - New Labeling Requirements for Seafood Products

Source: U.S. & Foreign Commercial Service – Italy. The European Commission has adopted Regulation 2065/2001/EC which requires more detailed information for consumers about fishery and aquaculture products.

The regulation takes effect on January 1, 2002. With the regulation change, all fisheries and aquaculture products on sale at retailers must have the following information:

- the commercial name of the species. Each member state has established a list of applicable commercial names;
- the production method (aquaculture or fishery product). The proper language is: "caught in...", "caught in fresh water", "farmed", or "cultivated"; and
- the catch area. Products caught at sea will have to show the ocean area. Farmed products will reference the country in which the product undergoes its final development stage.

For more information on the European Union Directive, or for

Japan – Dietary Supplements

Source: U.S. & Foreign Commercial Service – Tokyo. Japan remains a challenging, but significant market for U.S. dietary supplement companies.

Due to the modest market openings achieved through eased regulatory restrictions on dietary supplements, sales of U.S. dietary supplement products have increased 5% in 2000.

Although Japan has a lower per capita consumption of dietary supplements (it is about one-sixth the level found in the U.S.), the U.S. & Foreign Commercial Service reports that "the potential for continued growth in this market is enormous, especially as Japan's aging population turns increasingly to preventative nutritional and health-care measures."

The numbers look encouraging, but the regulatory environment for nutritional supplements in Japan remains cumbersome and opaque. Many products sold in U.S. markets must be reformulated before they can be sold in Japan.

In spite of the restrictive regulatory environment, foreign companies are taking advantage of a loophole in Japan's regulatory system. As reported by the U.S. & Foreign Commercial Service:

"Despite these restrictions there exists a major loop-hole in Japan's regulatory system that allows many products to reach the market despite being noncompliant with ingredient and labeling regulations. Consumers may import for personal use a four-month supply of nutritional supplements. These products cannot be resold. Products bought by individual consumers for [personal] use may be brought into Japan from foreign travel or purchased via the mail or internet. As a result, an enormous mail order business has developed, expanded considerably in recent years by the rapid spread of internet access. Most American supplement products sold in Japan are purchased via this personal use exemption, often through multi-level of direct marketing firms."

more information on exporting seafood products, contact Leonarda Chiocchi at the American Embassy, Rome at Tel: +39-6-46742204; E-mail: Leonarda.Chiocchi@mail.doc.gov

Thailand Net-based Technology

(Continued from page 1)

Thailand has a population base that is 16 times larger than Singapore, and it is estimated that Thailand's Internet population will be the largest user within ASEAN.

One drawback is that the leasing of Internet lines for the corporate user in Thailand costs six times more than in Hong Kong, and four times more than in Japan. However, Internet access fee for the individual dial-up user is moderately priced.

Hawaii high tech companies wishing to expand into the Thailand market may wish to contact the U.S. & Foreign Commercial Service for more market details.

PTC Annual Conference*(Continued from page 1)*

- Fiona Beck - President & CEO, Southern Cross Cable Network, Bermuda
- Jean Godeluck - CEO, Alcatel Submarine Networks, France
- Robert Mao - President and Chief Executive Officer, Nortel Networks China, People's Republic of China

Over 60 exhibitors will showcase their products and services, ranging from satellites and software to wireless internet systems, from Monday-Wednesday the week of the conference in the Coral Ballroom of the Mid Pacific Conference center that is the hub of activity and traffic during the 4-day event. Local businesses and the general public can visit the trade exhibition free of charge.

For those who are interested in participating, the "early bird" registration deadline is December 29, 2001. Registration fees are as follows:

	Prior to 12/29	After 12/29
PTC members	\$700	\$750
Non-PTC	\$1100	\$1250
Faculty	\$550	\$650
Students	\$125	\$120

For information on registration and the complete conference program, go to <http://www.ptc.org/PTC2002>

Seminar Notice

The Hong Kong China Hawaii Chamber of Commerce (HKCHcc) is sponsoring a lunch seminar regarding: "How China's accession to the WTO will further increase Hong Kong's attraction as investment destination, as well as a conduit to business opportunities in the Mainland?"

DATE: January 15, 2002, Tuesday

TIME: 11:30am - 1:00pm

PLACE: Hong Kong Harbor view Seafood Restaurant, 2nd floor, Aloha Tower Market Place

COST: \$25/person for Members Co-sponsors, Collaboration Partners, Hawaii Technology Trade Association

TRADE LEADS**Local Website to target Chinese web users and Hawaii Firms**

A new web site, AlohaConnect.com, will be launched in January 2002. The site targets Chinese Web users, providing them comprehensive information about business in Hawaii as well as facts, news, data and advice that will be useful to anyone interested in doing business in or with Hawaii. It also will provide information about government services available for those in China who are considering Hawaii for training or business.

The China Council for the Promotion of International Trade (CCPIT) will be the main marketing channel for AlohaConnect.com. CCPIT corporate membership includes over 70,000 companies spanning a variety of industries.

The site was developed by Ted Sturdivant, publisher of the *Aloha Guides*, and the *Islands of Aloha*, Chinese version. Website design and development is provided by RevaComm.

Participating companies will be provided website and photo prep, copy editing and translation into English / Chinese. Members of business and trade associations are granted substantial discounts. For more information contact, Ted Sturdivant Tel: (808) 955-2378

e-mail: ted@alohaconnect.com

ciation (HTTA) and Federation of HK Association Worldwide; \$30 for others and/or RSVP after January 8, 2002.

For more information contact: HKCHcc Tel: (808) 222-8183 or refer to the website: <http://www.hkchcc.org/>

British Columbia's Biotech Industry*(Continued from page 2)*

ever, due to its quality of research and impressive levels of growth, British Columbia's biotechnology industry has become one of the top 20 in North America. Within this industry, health care remains the largest sector, followed by fisheries and aquaculture. More than 60% of B.C. biotechnology companies direct their efforts towards health care, generating approximately \$310 million in annual revenues. Biotechnology has also fueled the growth of B.C.'s horticultural industry, which has quadrupled over the past three years.

If you have any questions regarding this report or require more information on Commercial Service Programs, contact: Judy Simonite, Commercial Assistant U.S. Consulate General 1095 West Pender Street Vancouver, B.C. V6E 2M6 Tel: (604) 642-6678 Fax: (604) 687-6095 Email: judy.simonite@mail.doc.gov

Brazil - Expansion Of Fishing And Fish Farming

Source: U.S. & Foreign Commercial Service. With approximately 5,000 miles of shoreline, one of the longest in the world, and with 15% of the freshwater resources available on earth, Brazil is beginning to exert its fishing and fish farming vocation - breeding fish, crustaceans, and shellfish. This is one of the fastest growing segments of the Brazilian agribusiness. By 2003, fish production should exceed the current 768,000 tons to reach

1.2 million tons. As a result, exports will rise from the US\$ 125 million sold in 1998 to around US\$ 1 billion expected over the next three years.

Today, Brazil ranks 25th internationally in fishing and fish farming, but producers and technicians expect the country to be among the top ten by 2003.

To rationalize the industry's activities, the government is investing in five production chains: tuna and similar species, lobster, tilapia, and farmed and fished shrimps. The objective is to join forces with the most competitive and profitable species on the international market.

There is good potential for U.S. companies interested in providing new technology and services to the Brazilian fishery industry. The U.S. Commercial Service offers a variety of products and services to facilitate U.S. exports and U.S. companies. More information can be accessed at www.focusbrazil.org.com or by contacting: Igly Serafim, USCS/Brazil, Agricultural Machinery Sector Specialist Phone: 55/11/3897-4039 Fax: 55/11/3081-6868 e-mail: igly.serafim@mail.doc.gov

Report Request Form

Trade Invest Monthly
Hawaii's International Business Network

Company: _____

Contact person: _____

Address: _____

City: _____

Zipcode: _____

Telephone: _____

Facsimile: _____

Email: _____

Report(s) requested:

- ☐ Thai - Net-based Technology
- ☐ Canada - Canoe / Kayak Markets
- ☐ Australia Travel to the U.S.
- ☐ B.C. - Biotech Industry
- ☐ Japan - Internet Connectivity
- ☐ Japan - Import Info - Various Prod. Sectors
- ☐ Japan - Dietary Supplements
- ☐ E.U. New Seafood Labeling Req.
- ☐ Brazil - Fishing and Fish Farming

OTHER REPORTS (reference issue date):

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